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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

JUN 17 1992

FEDERAL COMMUNICATIONS COMMISSION
STREET ADDRESS

In the Matter of

Billed Party Preference
for 0+ InterLATA Calls

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CC Docket No. 92-77

REPLY COMMENTS OF U.S. LONG DISTANCE, INC.

U.S. Long Distance, Inc. ("USLD") hereby submits its reply comments on the proposal for restricting the use of proprietary calling cards on 0+ calling in the Notice of Proposed Rulemaking in CC Docket No. 92-77 ("Notice").

INTRODUCTION

In its initial comments in this proceeding, USLD acknowledged the fact that telecommunications Consumers today suffer confusion and frustration regarding their inability to expeditiously complete operator assisted long distance calls when using the AT&T CIID calling card and following the AT&T dialing instructions issued therewith. USLD further expanded upon the OSP market inequities contrived by AT&T through the successful proliferation of its CIID calling card to unsolicited LEC Joint Use card holders, benefiting the card issuer in such a manner that could not be similarly replicated by any other IXC in the industry. USLD urged the Commission to resolve the Consumers' dissatisfaction and the OSP competitive market inequities by requiring AT&T to make their CIID calling card information available to all OSPs such that all OSPs would

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be capable of utilizing the CIID card as a billing mechanism for end users who access their networks on a 0+ basis.

After reviewing the comments of the other parties to this proceeding, USLD reiterates its request as summarized above, as it finds no substantive, supportable argument presented by those parties having filed contrary opinions.

I. RECLASSIFICATION OF LEC JOINT USE CARDS AS IXC CIID CARDS

USLD finds merit in the arguments set forth by BellSouth Telecommunications, Inc. (BellSouth) to the extent that, in the case of AT&T CIID calling cards, billing and validation information for these cards is subject to Title II obligations.¹ AT&T acknowledges in its comments ² that its CIID card is merely a reclassification of its own "predecessor calling card," the LEC Joint Use card, reconfigured by AT&T in response to purported customer demand. The Commission has clearly stated, however, that Title II obligations "... apply equally to validation data for RAO or line-based cards that have been reclassified as CIID cards."³ Thus billing information for the AT&T CIID card must be made available to all OSPs pursuant to existing law.

¹ See Comments of BellSouth Telecommunications, Inc. ("BellSouth") at page 2.

² See Comments of American Telephone and Telegraph Company ("AT&T") at page 4, f.n. **

³ Memorandum Opinion and Order, CC Docket 89-323, released May 24, 1991, paragraph 24.

II. PROPOSAL OF OSP RATE LIMITATIONS ASSOCIATED WITH AT&T'S
RELEASE OF CIID CALLING CARD BILLING INFORMATION

USLD acknowledges the proposal put forth on behalf of ClearTel Communications, Inc. and Com Systems, Inc. ("Joint Commenters").⁴ USLD agrees that AT&T persistently claims that its purpose for issuing the CIID card was to address its customers' complaints regarding LEC calling card calls that are billed at rates higher than those of AT&T. However, the subsequent course of AT&T's actions has affected all OSPs, not only those who may charge rates higher than AT&T, and all LEC "Joint Use" calling card holders, not only those who have consciously chosen AT&T as their preferred OSP. Joint Commenters suggest that a uniform rate schedule be adopted such that any OSP could validate, carry and bill AT&T's CIID card calls over their network at standard rates. USLD acknowledges that Joint Commenters' proposal would go a long way towards rectifying the consequences imposed unfairly upon Consumers and OSPs by AT&T's CIID card proliferation tactics while concurrently achieving AT&T's expressed desire -- to "protect" their customers from OSP rates. Only those OSPs incapable of carrying traffic profitably at the standard rates would remain afflicted.

USLD, however, proposes an alternative procedure that would protect the interests of the AT&T card holder while at the same time allowing all OSPs the opportunity to eliminate

⁴ See Joint Comments of ClearTel Communications, Inc. and Com Systems, Inc. ("Joint Commenters") at page 11 - 13.

the unbillable network usage they experience as a result of AT&T's CIID card proliferation.

The Commission has within its authority ⁵ the ability to require certain OSPs to announce that their rates are available upon request at the beginning of each call in cases where such OSPs' rates are subject to supplementary Commission review. It therefore follows that such an announcement provides satisfactory supplemental notice to the end user ⁶ that the call will be carried and billed by the presubscribed OSP on those occasions the Commission determines to merit such additional information.

Therefore, given that the Commission finds that AT&T is obligated to provide billing information to all OSPs relative to its CIID card, yet acknowledges that such a call necessitates supplementary requirements, the Commission may allow OSPs to chose between following a prescribed formula when rating AT&T CIID card calls carried over their networks or announcing that its rates are available upon request at the beginning of each call, thereby expelling any Consumer frustration or confusion. The Consumer's call is either completed over a network with which he is familiar, or it is billed at established rates, OSPs large and small can elect to participate in carrying AT&T CIID card calls without suffering from discrimination, and AT&T can continue to instruct their card holders to discontinue dialing 0+ in

⁵ Telecommunications Act, 47 U.S.C. 226(h)(2)(B)

⁶ In conjunction with the posting and branding requirements imposed upon all OSPs in the Report and Order issued in CC Docket No. 90-313 (released April 15, 1991)

conjunction with their use of the AT&T CIID card, dialing instead 10-288-0 or (1-800 CALL ATT) to ensure that they reach AT&T.

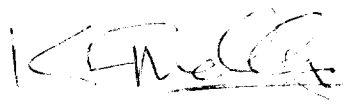
CONCLUSION

USLD finds no substantive argument against the release of the AT&T CIID calling card billing information to all OSPs for processing such calls on a 0+ basis. USLD believes that AT&T's CIID card, by its own admission, is merely a reclassified LEC Joint Use card, and as such is subject to the obligations under Title II of the Telecommunications Act to indiscriminately provide billing information to all OSPs. USLD acknowledges the proposal to impose certain rate limits upon OSPs in conjunction with the release of AT&T CIID calling card billing information put forth on behalf of the Joint Commenters and offers a modified alternative consistent with prior Commission procedure and Federal law which will provide a fair and equitable solution -- one that will not exclude certain Consumers or OSPs from participating in or benefitting from a competitive telecommunications market place.

Respectfully submitted,

U.S. LONG DISTANCE, INC.

by



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